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FM AMCONSUL JERUSALEM
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2271
INFO RUEHKK/ARAB ISRAELI COLLECTIVE PRIORITY
RHEHNSC/WHITE HOUSE NSC PRIORITY

UNCLAS JERUSALEM 002060

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NEA FOR FRONT OFFICE, NSC FOR ABRAMS/DORAN/LOGGERFO, PRM FOR
FRONT OFFICE, IO FOR FRONT OFFICE

E.O. 12958: N/A

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SUBJECT: UNRWA OFFICIALS OUTLINE CONTACT POLICY WITH PA,
PLANS FOR INTERNAL REFORMS

¶1. (SBU) Summary. During a May 12 meeting with IO Assistant Secretary Kristen Silverberg, UNRWA Deputy Commissioner-General Filippo Grandi said that his agency would maintain "minimal" contact with the Hamas-led Palestinian Authority. Grandi argued that some technical interaction is necessary to ensure the safety of UNRWA personnel operating in the West Bank and Gaza Strip. On UNRWA's internal reforms, Grandi reported that UNRWA will release next month a draft document outlining a series of reform measures to its Advisory Commission. Grandi welcomed "creative ideas" to increase vetting of beneficiaries who would be supported by the agency's expanded emergency programs, which he expected to double in monetary terms to USD 190 million this year. End Summary.

¶2. (SBU) IO A/S Silverberg on May 12 met with UNRWA Deputy ComGen Filippo Grandi, Acting UNRWA General Counsel Scott Custer, and the Director of UNRWA's Audit and Inspection Department, Mukesh Arya, at UNRWA's West Bank Field Offices in Jerusalem. IO DAS Mark Lagon, Amman-based RefCoord Claire Kaneshiro, and ConGen Poloff (notetaker) participated in the meeting.

Grandi: UNRWA To Maintain Minimal
Contact With Hamas-led PA

¶3. (SBU) Grandi noted that the PLO remained UNRWA's primary contact on Palestinian refugee issues through the PLO's refugee department. However, UNRWA, out of operational necessity, would need to maintain some minimal contact with officials from the PA ministries. A/S Silverberg responded that contact should be minimized and focused on the technical level only, adding that UNRWA Commissioner-General Abu Zayd's meeting last month with a Hamas cabinet minister had raised serious concerns. Grandi assured A/S Silverberg that UNRWA would maintain only those relations that will ensure that UNRWA employees can work safely and efficiently in Palestinian refugee camps. UNRWA would handle this situation carefully, given the "sensitivities" on all sides, Grandi said.

Reform Process Ongoing

¶4. (SBU) Grandi noted that UNRWA, with the help of an externally-funded (Canada, Switzerland) consultant would launch a substantial reform program designed to overhaul the agency's management structure and introduce significant reforms to its human resources and planning systems over the next three years. Grandi indicated that a draft reform plan

would be available for donors to review in early June. A/S Silverberg noted that Congress is seeking more transparency from UNRWA and that UNRWA should be proactive in addressing congressional concerns. Grandi responded that the reform program would help address congressional concerns by helping the agency prioritize its needs and produce comprehensible budgets.

¶5. (SBU) Grandi said he wants to improve UNRWA's capacity to plan and monitor its emergency programs, adding that UNRWA had secured UK funding to help it conduct an external review of the agency's existing emergency interventions. Additional critical internal reforms -- such as re-grading the positions of UNRWA's 26,000 local employees to eliminate long-standing inconsistencies -- are also on his agenda.

Emergency Appeal to Double in Size

¶6. (SBU) On the growing humanitarian needs in the West Bank and Gaza, Grandi noted that UNRWA is facing a series of challenges as it attempted to ramp up assistance to cover a greater number of refugees applying for assistance. Deteriorating economic conditions have resulted in a growing number of applications for emergency assistance, especially in Gaza. While the situation is dire, Grandi said that he wants to avoid perceptions that he is "crying wolf." He nonetheless expected a protracted crisis.

¶7. (SBU) He confirmed that UNRWA planned to maintain its current mix of interventions (food aid, temporary job creation, and direct cash aid) but would significantly expand the scale of those programs. He noted that UNRWA is still calculating the cost of those expanded programs, but predicted that the agency would revise its emergency appeal to USD 190 million, roughly double its original 2006 appeal.

Asked about UNRWA's selection criteria for its cash assistance programs, Grandi explained that they are based on socio-economic factors (single-parent households, unemployed, and the disabled). UNRWA's social workers conduct regular end-use checks, but each social worker already handled a caseload of 250 families which made frequent home checks impossible. Grandi said that UNRWA is already appealing for resources to expand its social worker program to ensure the quality of the emergency assistance program.

¶8. (SBU) Grandi said that UNRWA is open to suggestions on how to vet the large number of refugees applying for emergency aid. He noted that the USG-funded Operational Security Officers (OSO) program -- meant to secure the integrity of the UNRWA installations -- has done a good job in the West Bank and Gaza camps and might represent an adequate model to report political activities that may occur in UNRWA schools. Grandi hoped to use the OSO program as an additional monitoring tool. A/S Silverberg noted that monitoring activities on the part of UNRWA are critical to alleviating international donor concerns over the integrity of UNRWA services.

Some Positive Developments In Lebanon Refugee Camps

¶9. (SBU) Grandi said that there have been positive developments in Lebanon with respect to the Government of Lebanon's attitude toward the Palestinian refugee camps. The Lebanese Prime Minister had recently chaired a meeting of foreign ambassadors in which he welcomed contributions to UNRWA. Grandi said that the Prime Minister is ready to present legislation to the Lebanese parliament that would enable refugees to work outside the camps. Other measures under consideration included proposals to ban the display of weapons outside of the camps. Grandi noted his "shock," however, at the dangerous and violent conditions he observed inside the Shatila Refugee Camp during a recent visit.

¶10. (U) A/S Silverberg cleared this cable.

